# PARLIAMENT OF KENYA

## THE SENATE

### **THE HANSARD**

#### Thursday, 24th October, 2013

The Senate met at the Kenyatta International Conference Centre at 2.30 p.m.

[The Speaker (Hon. Ethuro) in the Chair]

#### PRAYERS

#### QUORUM CALL AT COMMENCEMENT OF SITTING

(The Speaker consulted with the Clerk-at-the-Table)

**The Speaker** (Hon. Ethuro): Order, hon. Senators. I am informed that we have a quorum. Therefore, we may commence business. Let us first take requests for Statements then responses afterwards.

#### **STATEMENTS**

#### DISMISSAL OF THE CHIEF REGISTRAR OF THE JUDICIARY

**Sen. Nabwala:** Mr. Speaker, Sir, I rise to seek a Statement from the Chairperson of the Standing Committee on Legal Affairs and Human Rights on the dismissal of the Chief Registrar of the Judiciary. Pursuant to Standing Order No.43(2)(c), I wish to request for a Statement from the Chairperson of the Standing Committee on Justice and Legal Affairs on the ongoing crisis at the Judicial Service Commission (JSC) and the circumstances under which the Chief Registrar, Mrs. Gladys Boss Shollei, was sacked by the Commission. The Statement should also explain the Government's position on the dismissal and the way forward for stability in the JSC.

Thank you.

**The Speaker** (Hon. Ethuro): Chairperson of the Committee on Justice and Legal Affairs.

Sen. Sang: Mr. Speaker, Sir, we undertake to respond to the issue in the next two weeks.

#### RAMPANT KIDNAPPINGS IN KIRINYAGA COUNTY

**Sen. Karaba:** Mr. Speaker, Sir, I also rise to request a Statement from the Chairperson of the Standing Committee on National Security and Foreign Relations concerning the kidnappings in Kirinyaga and which might possibly continue taking place unless the situation is arrested. The Statement should address whether the national Government is aware that in the last three months, 11 people in Kirinyaga have been kidnapped and some of them killed. The latest victim is a teacher called Mr. Cyrus Munene Mwenje who was kidnapped and found killed in Mwea Settlement Scheme.

Secondly, whether the State could explain the measures the Government is taking to arrest this situation because it is alarming and the residents of Kirinyaga are living in fear and under a lot of anxiety.

The Speaker (Hon. Ethuro): Chair of the Committee.

**Sen. Adan:** Mr. Speaker, Sir, I would request Sen. Karaba to give us until Thursday, next week, for us to provide a response on the Statement he has requested.

The Speaker (Hon. Ethuro): Sen. Murungi.

# REVIEW OF SALARIES AND ALLOWANCES OF MCAS BY THE SRC

**Sen. Murungi:** Mr. Speaker, Sir, I rise to request a Statement from the Chairman of the Committee on Devolution and Planning on the following issues:

First, what steps the Salaries and Remuneration Commission (SRC) is taking to review the salaries and allowances of the Members of the County Assemblies (MCAs) between April and October, 2013. Secondly, what has led to the suspension of all sittings by the county assemblies in the Republic? Thirdly, what steps the SRC has taken to address this salary crisis which threatens to paralyse the effective functioning of the devolved system of government, especially after the Senate passed a Motion of Adjournment because these are matters of definite and urgent national importance.

Lastly, the Chairman should give us a Statement on the urgent and effective measures the Committee is proposing to this House to bring to an end the stalemate so that the county assemblies can resume their sittings.

Thank you, Mr. Speaker, Sir.

**Sen. Murkomen:** Mr. Speaker, Sir, for the record, there is no Committee called Committee on Devolution and Planning. It is the Sessional Committee on Devolved Government.

Mr. Speaker, Sir, we will present the response in two weeks.

**Sen. Murungi:** Mr. Speaker, Sir, I stand corrected. I request the Statement from the Chairman of the Committee on Devolved Government.

Secondly, we had a debate on a Motion brought by Sen. Elachi in which this matter was declared to be of definite and urgent national importance. The Chairman says that the Statement will be ready in two weeks. In view of the position taken by the Senate during that Motion, the matter should be treated as urgent. Therefore, I request that the Statement be issued by Thursday, next week.

Sen. (Dr.) Khalwale: On a point of order, Mr. Speaker, Sir. I want to agree with the distinguished Senator from Meru that this matter cannot wait. In fact, if you read the

Constitution carefully, by virtue of the assemblies not being in session, we are giving the national Government an opportunity to exercise an option which they have, that is, to take over the functions of those county governments that are not functioning. So, this could be a clever way of allowing the national Government to kill devolution by exercising that option since the county assemblies are not functioning. Therefore, I second the Senator that the Statement should come next week.

The Speaker (Hon. Ethuro): Chairman, what is your response?

**Sen. Murkomen:** Mr. Speaker, Sir, I think I have been reminded by the Vice-Chair of the Committee of our meeting with Ms. Serem on Tuesday. Since we, as a Committee, are going to meet her, it is then possible for us to table a report on Thursday, next week. In the meantime, I wonder whether it is in order for Sen. (Dr.) Khalwale to try to link SRC, an independent Commission, with an executive run by the Jubilee Government and try to insinuate that it has anything to do with the national executive. That is an independent Commission and I want you to find him out of order.

**The Speaker** (Hon. Ethuro): I actually think it is the Chairman who is out of order! Sen. (Dr.) Khalwale did not link SRC to the Jubilee Government. All he said is that failure by the county assemblies to have business may create an opportunity for some other entities. That was his reading of the Constitution. So, let us leave it that way.

We were taking requests. Once they are over, we will take responses to the previous request for Statements. Let us start with the Committee on Security and Foreign Relations.

**Sen. Adan:** Mr. Speaker, Sir, before I respond, I want to request for direction from you. First, I have about four Statements that I need to read. Secondly, as we agreed yesterday, we have summoned the Cabinet Secretary to appear before the Committee on Tuesday, next week.

Regarding the Statement on Baragoi requested on Tuesday, I had a discussion with Sen. Lesuuda and she has indicated to me that she will be late. Since the Cabinet Secretary is coming on Tuesday, next week, I should not read the Statement. Maybe, I need your direction on that.

**The Speaker** (Hon. Ethuro): Proceed with the ones that are ready. If you agreed with the hon. Senator and you will have the benefit of the Tuesday, then that one can come up on Tuesday.

#### LACK OF CCTV CAMERAS IN MAJOR CITIES

**Sen. Adan:** Mr. Speaker, Sir, the Statement on CCTV was requested on 11<sup>th</sup> July, 2013 by Sen. Mohamud. She requested for a Ministerial Statement on the CCTV surveillance cameras in Nairobi City. The hon. Senator was seeking to be informed why the level of CCTV surveillance is very low and what action the Government is taking to install CCTV cameras in the city and other major towns. She also sought to be informed how much time the exercise will take to conclude once it commences. I wish to state as follows:

Mr. Speaker, Sir, the installation of CCTV security surveillance cameras has been a priority for the Government since 2006. The cameras were in line with the intended modernization of the police communication system and an adoption of new technology in policing. The National Police Service (NPS) first forwarded a proposal to procure a modern communication command and control system to the Ministry of Provincial Administration and Internal Security in April, 2006. Subsequently, a technical committee chaired by the Communication Commission of Kenya (CCK) with members drawn from all telecommunication service providers was formed and recommended procurement of an efficient command and control system that included a CCTV system as one of the major components for Nairobi, Mombasa, Nakuru and Kisumu cities. An expression of interest for the procurement of this system was advertised in the local daily newspaper on 15<sup>th</sup> and 19<sup>th</sup> February, 2008. An evaluation was done and a request for funding was forwarded to the Ministry of Finance in the Financial Year 2007/2008. However, the funding was not achieved. In June, 2010, the then Commissioner of Police forwarded a request for the procurement of a modern command and control communication system to the then Ministry of Provincial Administration and Internal Security and a proposal for funding in the Financial Year, 2010/2011 to the Ministry of Finance.

However, the funds were not allocated in the annual budget to enable commencement of the procurement process. The project proposal included components of the CCTV surveillance equipment. In June, 2011 the police department forwarded another proposal for the procurement of modern communication system which included the CCTV component as a sub-system to the then Ministry of Provincial Administration and Internal Security. The Ministry initiated the process and on 3<sup>rd</sup> February, 2012, with an expression of interest restricted to Chinese firms, advertisements were made and, subsequently, tenders issued to the short-listed firms. The major components of the projects were computer aided dispatch system, wireless digital communication network, automated vehicle location system and video surveillance CCTV system. The video surveillance system was to be installed in Nairobi, Mombasa, Nakuru and Kisumu.

Mr. Speaker, Sir, tender No.00P/CCS/2011/2012 was opened on 27<sup>th</sup> July, 2012 and an evaluation carried out in August, 2012. One of the bidders who were not successful appealed to the Public Procurement and Administration Review Board against the decision and later filed a petition in the High Court of Kenya after being unsatisfied with the ruling. The bidder finally withdrew the case in March, 2013. However, in April 2013, the Director-General, Public Procurement and Oversight Authority (PPOA) requested for the tender documents for him to undertake investigations which he returned in July, 2013. The Ministry also sought for the Attorney-General's advice on the status of the ruling of the withdrawal of the case by the bidder. The Attorney-General has since cleared the Ministry to conclude the tender. Unfortunately, Mr. Okiya Omtata and Mr. Wycliffe Gisebi Nyakina moved to the High court accusing the Ministry of reinstating the tender that had been cancelled. The case was dismissed on 25<sup>th</sup> September, 2013. Consequently, the Ministerial Tender Committee resumed the tendering process where it adjudicated and rejected the tender on the following grounds.

The financial proposal by the responsive bidder surpassed the budget by 106 per cent which is equivalent to US\$106 million and the prices of some of the items in the tender were highly inflated and the maintenance cost of the system was Kshs1 billion per year. Though the technical committee in their report to the Ministerial Tender Committee had recommended one of the bidders, the committee had also noted some key technical aspects that the proposal had failed to meet. The NPS had indicated that the proposed technology was not suitable for their use. Arising from the above, the Ministry is now at an advanced stage to re-advertise the tender.

**Sen. Mohamud:** Mr. Speaker, Sir, I would like to take this opportunity to thank the Vice-Chair for responding to the Statement I sought a long time ago. In fact, I almost forgot about it. If I heard right, the Vice-Chair said that this issue was a priority of the Government since 2006. Therefore, if this matter was a priority, why has it not been achieved seven years down the line? I would also like to state that security is a sensitive issue. If the various sectors took their issues very seriously, the tender could not have been cancelled. I would like to know why the tender was cancelled. Why is the department not taking its activities seriously?

The Speaker (Hon. Ethuro): Let us allow another intervention from Sen. Kerrow.

**Sen. Billow:** Mr. Speaker, Sir, I want to thank the Vice-Chair for that response. If you heard the response, she says that the amount of money that the bidder bid for the project was 106 per cent above the budget. Actually, it means the budget was about US\$100 million and the person bid about US\$106 million. We have also heard that the tender for the laptops was equally cancelled because it was off budget by almost another Kshs20 million. What I want a clarification on is: What work has really gone into designing that proposal in terms of specs? When you design a project or you want to buy a bottle of water and you are off the budget by 100 per cent, it means that the person did not actually plan properly in terms of design for that particular project and did not know the cost. We should have an idea of what to expect plus or minus 10 per cent or 15 per cent, but not off by 100 per cent.

**Sen. Kagwe:** Mr. Speaker, Sir, first of all, I want to thank the Vice-Chair for her answer. I want to state my alarm at this state of affairs. You have just heard that this is a project that started in 2006 and was revived again in 2008. Meanwhile, the only single security item that is helping us, even in the Westgate affair, is the CCTVs that had been installed in that facility. The other day in Karatina, somebody captured thieves with a mobile phone video. I am convinced that somewhere along the line, we are simply not prioritising things as we should. We are under the threat of *Al Shabaab* and other terrorists in Kenya, especially in this town. Therefore, going back to retender and starting another process, given the record from 2006 to now, it tells us that we might go until 2020 then a Statement will be read in this House that is going to say that CCTV and surveillance systems have not yet been installed. This is a very serious matter because it is a matter of life and death.

The Speaker (Hon. Ethuro): I think you should summarize.

**Sen. Kagwe:** Mr. Speaker, Sir, I want to ask the hon. Senator if there is any way in which part of the system can be installed now because terrorists are not going to wait until 2020.

**Sen. (Dr.) Machage:** Mr. Speaker, Sir, it is not even over 10 years when this country witnessed a saga in the name of Anglo Leasing. Could the Chair assure us that this process of tendering and retendering is not calculated to make a baseline for that kind of saga?

**Sen. Leshore:** Mr. Speaker, Sir, security issues are very pertinent to our lives in Kenya. CCTV cameras are going to assist a lot. Actually after the Westgate saga, we would not have identified terrorists if it were not for the CCTV cameras. The other day, the President visited the Governor of Nairobi and told him to fast-track the tender for the CCTV cameras. I would like the Chair to tell us how much she knows about that fast-tracking. For our own security and even the security of the Speaker, in the Ninth

Parliament we used to hear shouted warnings to strangers about the entry of the Speaker, but these days, I do not hear anything of the sort. This is for your own security and respect.

**Sen. Munyes:** Mr. Speaker, Sir, given the security situation in the country and the complexity of security issues, could the Vice-Chair request or propose that we have CCTV installed in all major Government installations, for example, in schools, market places and other public places in the country? Could this be a policy in this country?

The Speaker (Hon. Ethuro): Last but not least, Sen. Murkomen.

**Sen. Murkomen:** Mr. Speaker, Sir, we need to take this security issue very seriously. You remember the Mumbai terrorist attack and the Indian Government acting expeditiously to install, not only the CCTV cameras, but also a technology that is able to identify if there is a strange thing happening in a particular surrounding. Through that CCTV advanced technology, they were able to identify one of the construction workers who came with a gun with a plan of planting guns inside the hotel. We need to get an answer from the Vice-Chair whether procurement procedures are the problem. We need to know if there is a way in which we can cure the challenges legally as legislators, by bringing an amendment to this House and putting in place mechanisms that will make it quick and easy for us to deal with matters of security, and particularly on the issue of CCTV cameras.

**Sen. Kittony:** Thank you, Mr. Speaker, Sir. The issue regarding our security is at stake. The Committee in charge should handle this issue more seriously. Things are just happening. In today's newspaper, there is a story about the "white widow." If we had enough CCTV cameras in our country, then we would have known whether she is in this country. We seem to be handling this matter with a lot of laxity.

The Committee involved should move with speed to save our lives.

**Sen. Kembi-Gitura**: Mr. Speaker, Sir, I will speak of an issue that is of concern to all of us. The issue being discussed is very serious because we have suffered due to insecurity for more than three occasions in this country. I can only talk about the way we answer questions in this House.

I am a Member of the Committee that the Vice Chair is answering questions on behalf of. I want to comment on the way the questions have been answered. When we used to have Ministers coming to answer questions in Parliament, they gave answers from their files. We interrogated the questions and if we were not satisfied, we told them on the spot that we wanted them to come back with proper answers. I am just wondering, as we raise all the issues we have raised on this matter, whether we expect the Vice Chairperson of the Committee to give any further comment than what she had read or we expect her to go through it. Do you want her to go and come back with a better answer or what is she supposed to do? I am just talking about the constitutional position.

There must come a moment when we must have a serious rethinking of the arrangement that we have because that becomes very difficult. I know that the Vice-Chairperson will come back here and attempt to reply to what Members have asked. She can only do so if she knows better than the Senators who have asked the questions do, on the issues they have raised. I do not know how we will work on this, but this is an issue that has just occurred to me. It is becoming more difficult, as we enter into the new dispensation, to see that there are certain things that will not work out as we thought they would.

**The Speaker** (Hon. Ethuro): Those are legitimate concerns from the Deputy Speaker and Senators have alluded to it previously, except on one observation. You have already determined, on your own, that your Vice-Chair does not have information. I thought it would have been extremely helpful if she had demonstrated a failure to respond to subsequent requests. You would then have come to her aid as you did the other day as an agent of necessity.

**Sen. Kembi-Gitura**: Mr. Speaker, Sir, I am not questioning the competence of the Vice Chairperson. Indeed, we serve in the same Committee. Therefore, the information that she has, which was disseminated to this House, is the same information that I have. I know very well that if she was not here, I or other Members of the Committee, like G.G Kariuki, would have been made to answer those questions.

Mr. Speaker, Sir, I do not think that there is anyone who knows these issues better than the other one. We have received this Statement and that is my worry. However, I am not, at all, challenging or questioning the competence of our very competent Vice-Chairperson of our Committee. That is not the purpose for which I stand here. I am just saying that the system should be thought out so that we have proper questions, particularly on issues of security. We should, probably, have a *Kamukunji* of all Senators, where we can summon the Cabinet Secretary if we cannot be inside the Chamber because of the rules, so that Senators know what the Government is doing about the issues that Members legitimately seek.

**Sen. Leshore**: On a point of order, Mr. Speaker Sir. The Deputy Speaker has just spoken and you have heard what he said. Is he in order to allude that the Chairpersons or Vice-Chairpersons who cannot give proper answers ought to hold a Kamukunji? All the Chairpersons should prepare their statements and bring the issues to the House.

Sen. (Dr.) Khalwale: On a point of order, Mr. Speaker, Sir. I would like to support Sen. Kembi-Gitura. You will recall that precedence was set in the Parliament of Kenya, although through the Lower House, when the Chair ruled that the Cabinet Secretary for National Treasury should appear before the Committee of the Whole House. Since that precedence has been set, it is important that you also pronounce yourself, so that you allow us an opportunity to interrogate Cabinet Secretaries who are responsible for our lives. If you so rule, you will not be saying anything new because precedence has already been set.

**The Acting Senate Minority Leader** (Sen. Abdirahman): On a point of order, Mr. Speaker, Sir. I will be very brief. The truth of the matter is that we have not had any responses being done comprehensively, authoritatively and in a binding manner.

I seek your considered ruling on this. We know the limitations according to the Constitution. We kindly ask you to look into this matter deeply and see to it that we get the correct responses which are comprehensive the way I have put it. They cannot just make commitments on behalf of the Government. You need to make a ruling and set the pace.

**Sen. (Dr.) Machage**: On a point of order, Mr. Speaker, Sir. I know that you are a very wise person in this House and you make very bold moves. I tried to interrogate this issue the other day, but got a piece of the "fair arm of the Speaker."

Would I be in order to thank the Deputy Speaker, the Senate Minority Leader and everybody else who has seen what I had seen with regard to the decisions related to the Constitution?

**Sen. Billow**: On a point of order, Mr. Speaker, Sir. It is clear, under the current Constitution, that there is no provision for oral questions and answers in the House. What is provided for is that a Member can seek a statement and when a Chairperson is required to submit a statement, it is my understanding, that the statement from the Cabinet Secretary is what is read. I think the clarifications that Senators would seek would merely be in the context of what has been presented in the statement. If we go back to the oral questions and answers of the parliamentary system, then we would we would miss the point by far. The point is that we are not in a Parliamentary system of Government. In my view, let us not try to bring Cabinet Secretaries to this House because we will be missing the point. This House is out to legislate and come up with policy and to seek information through committees. So, we cannot attempt to have Standing Committees of the House and, at the same time, have Cabinet Secretaries.

**Sen. Elachi**: On a point of order, Mr. Speaker, Sir. Would I be in order to ask that we create a bench where we can be forwarding all the questions being asked, probably, in the galleries to a representative of the concerned Ministry? Somebody should take those notes and come back to the Committee with answers.

**Sen. Ndiema**: On a point of order, Mr. Speaker, Sir. In view of the fact that this matter is bound to reoccur, would I be in order to suggest that this House organizes itself in such a way that Ministers come to answer questions, not during the House sittings, but during a Committee of the Whole? First, the House should become a committee then we invite the Cabinet Secretary.

**The Speaker** (Hon. Ethuro): Order, hon. Members! Let me start with hon. Ndiema because he stands a risk. I encourage him to be nice to somebody known as Sen. (Dr.) Machage who is fond of Standing Order No.107 which says that you should neither be irrelevant nor repetitive.

The clarification you were seeking had already been sought. With regard to Sen. Elachi, we do not need more benches than we have. There is the HANSARD and everything you say in this House is recorded verbatim and goes to the website of Parliament and everybody can access it. This can be accessed by not just us, but everyone who can access the World Wide Web.

With regard to issues raised by Sen. Kembi-Gitura, I think he was expressing the difficulties, the inadequacy or the rate at which issues can be interrogated further which to me is legitimate. Sen. (Dr.) Machage should not purport to treat this as a justification of what he said the other day unless he is inviting the same punishment. However, the Chair is of the opinion that you cannot be punished twice for the same crime, in the same week. This depends on how you formulate and process issues. Yours was too serious that the entire Senate supported me on that basis.

Let us not go that way. Sen. Kembi-Gitura put it differently and I think this is an issue we had addressed earlier this week. I was very clear on it. One, this is a new system, a Presidential system and in terms of Parliament, we have a Bicameral Parliament. We are investing in terms of committee systems. The Senator for Mandera has said, very well, that the constitutional arrangement is such that we cannot entertain Cabinet Secretaries in the House. They are strangers. What Sen. (Dr.) Khalwale has suggested is true. It is a precedent on certain things and it can be considered. For us to reach that level, we must be satisfied that the communication between our committees and the Executive have actually broken down.

Secondly, we have actually made an assessment of the capacity of the Chair to interrogate these issues. Even the Ministers that we seem to be desirous of coming here do not generate that information on their own motion. They still get that information from other sources. So, the Chair can still be at liberty to get the information from the same sources.

My view is that this is our baby; for now, let us try and see how it will survive until we reach a dead end. I think for now we have not. It is up to the Chairpersons of Committees, collectively, to explain the experiences they go through in the way they have been receiving feedback and information. It is only then that, collectively, as a House, we can reach the decision on whether or not to let Cabinet Secretaries address the Senate. I think for now we appreciate there are some Chairpersons who respond immediately, effectively and satisfy all of us.

It also depends on the nature of issues. When it comes to issues of security, even when we used to have those Ministers on the Floor of the House, they were very difficult. Many times we had to dismiss some Ministers in order to bring others. So, let us give it time. I want to agree that there are concerns in the way we transact that kind of business. It might mean improving the communication between the Committee Chairpersons and the Executive. I do not think it necessarily means replacing one for the other. That is where we want to start first. You remember on Tuesday I said that if the Committee Chairpersons fail to bring the Statements, then the Senate Majority Leader should bring the Statements. That is provided for in our Standing Orders. So, let us try them out. We have organs of the House that will be able to interrogate these issues further. So, for now, let us stop there.

We had also agreed that we were going to do the voting at the prime time of 3.00 p.m. This being a Thursday and since the Standing Orders allow me, I want us to dispose of the two Motions and then we go back to the responses from the Committee Chair. You remember yesterday we could not vote; we had to postpone most of the voting. So, we would like to dispose of those two other Motions since we have a peak in terms of numbers. Since I am not seeing any objection from the Senate Majority Leader, it is so ordered. Let us go to the Motions and then we will resume the Statements.

Next Order!

#### MOTIONS

#### AUDIT OF EMPLOYEES OF DEFUNCT LOCAL AUTHORITIES BY TRANSITION AUTHORITY

THAT, aware that Section 7(2) of the Transition to Devolved Government Act requires the Transition Authority to carry out an audit of the existing human resource of the Government and local authorities and advise on deployment to either level of Government; further aware that Section 57 of the Urban Areas and Cities Act provides that every person who, immediately before the commencement of the Act was an officer, agent or member of staff appointed, seconded or otherwise employed by a local authority shall, on the commencement of the Act be seconded or otherwise deployed as may be provided by law; concerned that failure to absorb bona fide employees of the defunct local authorities will deprive them of their rightful means of livelihood contrary to the spirit of the Bill of Rights as contained in Chapter Four of the Constitution of Kenya and the principles of devolution; the Senate urges the Transition Authority to urgently finalize the audit of employees of the defunct local authorities and put in place the necessary framework for their absorption as employees of the respective counties.

(Sen. Elachi on 22.10.2013)

(Resumption of Debate interrupted on 23.10.2013)

**The Speaker** (Hon. Ethuro): On this particular Motion we had exhausted the debate. We have two votes to make; one is on the amendment and then the Motion as amended.

(Question of the amendment proposed)

#### DIVISION

#### ROLL CALL VOTING

#### (Question of the amendment put and the Senate proceeded to vote by County Delegations)

**AYES:** Sen. Abdirahman, Wajir County; Sen. Billow, Mandera County; Sen. Hargura, Marsabit County; Sen. Kagwe, Nyeri County; Sen. Kajwang, Homa Bay County; Sen. Karaba, Kirinyaga County; Sen. G.G. Kariuki, Laikipia County; Sen. Kembi-Gitura, Murang'a County; Sen. Keter, Kericho County; Sen. (Dr.) Khalwale, Kakamega County; Sen. Khaniri, Vihiga County; Sen. (Prof.) Kindiki, Tharak-Nithi County; Sen. Kivuti, Embu County; Sen. (Dr.) Kuti, Isiolo County; Sen. (Prof.) Lesan, Bomet County; Sen. (Dr.) Machage, Migori County; Sen. Mungai, Nakuru County; Sen. Munyes, Turkana County; Sen. Murungi, Meru County; Sen. Murkomen, Elgeyo-Marakwet County; Sen. Musila, Kitui County; Sen. Muthama, Machakos County; Sen. Mutula Kilonzo Jnr., Makueni County; Sen. Ndiema, Trans Nzoia County; Sen. Ntutu, Narok County; Sen. Sang, Nandi County; Sen. Wako, Busia County and Sen. Wamatangi, Kiambu County.

Teller of the Ayes: Sen. Ochwang'i

NOES: Nil

Teller of the Noes: Sen. Sijeny.

**The Speaker** (Hon. Ethuro): Order, hon. Senators. We have the results of the Division and they are as follows:-

AYES: 31 NOES: Nil ABSENTIONS: Nil (Question of the amendment carried by 31 votes to nil)

(Question of the Motion as amended proposed)

**The Speaker** (Hon. Ethuro): Hon. Senators, we had a balance of ten minutes for the Mover to reply. However, I will proceed to put the question on the Motion. Again, this is a Motion affecting counties, so we will take the roll-call vote. I had already announced that the Division Bell which was rung for the first amendment will also apply in this particular case. The Tellers remain the same. Let us proceed.

#### DIVISION

#### ROLL CALL VOTING

#### (Question of the Motion as amended put and the Senate proceeded to vote by County Delegations)

**AYES:** Sen. Abdirahman, Wajir County; Sen. Billow, Mandera County; Sen. Hargura, Marsabit County; Sen. Hassan, Mombasa County; Sen. Kagwe, Nyeri County; Sen. Kajwang, Homa Bay County; Sen. Karaba, Kirinyaga County; Sen. G.G Kariuki, Laikipia County; Sen. Kembi-Gitura, Murang'a County; Sen. Keter, Kericho County; Sen. (Dr.) Khalwale, Kakamega County; Sen. Khaniri, Vihiga County; Sen. (Prof.) Kindiki, Tharaka-Nithi County; Sen. Kivuti, Embu County; Sen. (Dr.) Kuti, Isiolo County; Sen. (Prof.) Lesan, Bomet County; Sen. (Dr.) Machage, Migori County; Sen. Mungai, Nakuru County; Sen. Munyes, Turkana County; Sen. Musila, Kitui County; Sen. Muthama, Machakos County; Sen. Mutula Kilonzo Jnr., Makueni County; Sen. Ndiema, Trans Nzoia County; Sen. Ntutu, Narok County; Sen. Sang, Nandi County; Sen. Wako, Busia County and Sen. Wamatangi, Kiambu County.

Teller of the Ayes: Sen. Ochwang'i

NOES: Nil

Teller of the Noes: Sen. Sijeny

**The Speaker** (Hon. Ethuro): Hon. Senators, we have the results of the Division and they are as follows:-

AYES: 30 NOES: Nil ABSENTIONS: Nil

> (Question of the Motion as amended carried by 30 votes to 0)

Resolved accordingly:

THAT, aware that Section 7(2) of the Transition to Devolved Government Act requires the Transition Authority to carry out an audit of the existing human resource of the Government and local authorities and advise on deployment to either level of Government; further aware that Section 57 of the Urban Areas and Cities Act provides that every person who, immediately before the commencement of the Act was an officer, agent or member of staff appointed, seconded or otherwise employed by a local authority shall, on the commencement of the Act be seconded or otherwise deployed as may be provided by law: concerned that failure to absorb bona fide employees of the defunct local authorities will deprive them of their rightful means of livelihood contrary to the spirit of the Bill of Rights as contained in Chapter Four of the Constitution of Kenya and the principles of devolution: the Senate urges the Transition Authority to urgently finalize the audit of employees of the defunct local authorities and put in place the necessary framework for their absorption as employees of the respective counties and the national Government to either absorb the former employees or pay retirement benefits in the unlikely event that they are not absorbed by the counties."

The Speaker (Hon. Ethuro): Next Order!

#### Adoption of Report on Visit to Nyeri, Laikipia and Kirinyaga Counties

THAT, the Senate adopts the report of the Standing Committee on Education, Information and Technology on the visits to Nyeri, Laikipia and Kirinyaga counties laid on the Table of the House on Thursday, 17<sup>th</sup> October, 2013.

(By Sen. Mohamud on 23.10.2013)

(Resumption of Debate interrupted on 23.10.2013)

**The Speaker** (Hon. Ethuro): Hon. Senators, the Motion on Order No.9 is a Division. So, we will follow the due process. The Division Bell will be rung and that, at least, should allow you a health break and then we will proceed.

(The Division Bell was rung)

**The Speaker** (Hon. Ethuro): I order that all the doors be locked. The names of the tellers are as follows; for the Ayes, Sen. Kanainza and for the Noes, Sen. Nabwala. Let us proceed with the Division.

#### DIVISION

#### ROLL CALL VOTING

#### (Question put and the Senate proceeded to vote by County Delegations)

**AYES:** Sen. Abdirahman, Wajir County; Sen. Billow, Mandera County; Sen. Bule, Tana River County; Sen. Chiaba, Lamu County; Sen. Hargura, Marsabit County; Sen. Kagwe, Nyeri County; Sen. Karaba, Kirinyaga County; Sen. Kembi-Gitura, Murang'a County; Sen. Khaniri, Vihiga County; Sen. (Prof.) Kindiki, Tharaka Nithi County; Sen. (Dr.) Kuti Isiolo County; Sen. (Prof.) Lesan, Bomet County; Sen. Leshore, Samburu County; Sen. (Dr.) Machage, Migori County; Sen. Melly, Uasin Gishu County; Sen. Mungai, Nakuru County; Sen. Murkomen, Elgeyo-Marakwet County; Sen. Munyes, Turkana County; Sen. Musila, Kitui County; Sen. Muthama, Machakos County; Sen. Mutula Kilonzo Jnr., Makueni County; Sen. Ndiema, Trans Nzoia County; Sen. Obure, Kisii County; Sen. Okong'o, Nyamira County; Sen. Orengo, Siaya County; Sen. Sang, Nandi County and Sen. Wako, Busia County.

Teller of the Ayes: Sen. Kanainza NOES: Nil Teller of the Noes: Sen. Nabwala The Speaker (Hon. Ethuro): Hon

**The Speaker** (Hon. Ethuro): Hon. Senators, we have the results of the Division and they are as follows:-

AYES: 27 NOES: Nil ABSENTIONS: Nil

(Question carried by 27 votes to 0)

Sen. Kagwe: On a point of order, Mr. Speaker, Sir.

The Speaker (Hon. Ethuro): What is it, Sen. Kagwe?

**Sen. Kagwe:** Mr. Speaker, Sir, our understanding is that after the voting, we go back to Statements.

**The Speaker** (Hon. Ethuro): You are right! We go back to Statements. Proceed, Leader of Government Business.

(Resumption of Statements)

#### **STATEMENTS**

# Business for the Week Commencing Tuesday $29^{\text{Th}}$ October, 2013

The Senate Majority Leader (Sen. (Prof.) Kindiki): Thank you, Mr. Speaker, Sir.

Mr. Speaker, Sir, I stand under Standing Order No.43(2) to present to the House the Business for next week. Next week on 29<sup>th</sup> October, 2013, there will be a meeting of the Rules and Business Committee (RBC) at 12.00 noon to schedule the Business of the Senate for the week commencing 29<sup>th</sup> October, 2013. The Senate will also, on the same

day, debate the Second Reading of the County Government Public Finance Management Transition (Amendment) Bill of 2013. The Senate will also commence debate on the Report of the Standing Committee on Energy, Roads and Transportation on the visit to the Republic of South Korea on Nuclear Energy Co-operation from 15<sup>th</sup> to 23<sup>rd</sup> June. 2013. laid on the Table of the House on Wednesday, 23<sup>rd</sup> October, 2013. In addition, the Senate will resume debate on the Report of the Standing Committee on Education, Information and Technology on the Visit to Kisii, Nyamira, Kisumu, Kakamega and Vihiga Counties laid on the Table of the House on Thursday, 17<sup>th</sup> October, 2013. On Wednesday, 30<sup>th</sup> October, 2013, in the morning, the Senate will continue with Business not concluded on Tuesday, 29<sup>th</sup> October, 2013, and consider a Motion by Sen. Zipporah Kittony urging the national Government to initiate and formulate water harvesting policies to guide water harvesting programmes in all the 47 counties to reduce over-dependence on primary water sources. On the same day, the Senate will consider a Motion by Sen. Muthama, urging the national Government to develop a policy on fruits preservation and storage through modern refrigeration and to provide incentives to investors to set up fruit processing plants in order to ensure ready demand for fruits, which would cushion farmers against losses.

Mr. Speaker, Sir, on Wednesday, 30<sup>th</sup> October, 2013, in the afternoon, the Senate will consider the Adoption of the Report on Visit to Level Five Hospitals in Uasin Gishu, Elgeyo Marakwet and Nandi counties laid on the Table of the Senate on Tuesday, 15<sup>th</sup> October, 2013. The Senate will further resume debate on the second reading of the County Government Public Finance Management Transition (Amendment) Bill, 2013. In addition, the Senate will also consider a Motion of Adjournment by the Senate Majority Leader to undertake public hearings on the Appeals for Transfer of Functions to county governments. On Thursday, 31<sup>st</sup> October, 2013, the public hearings on appeals for transfer of functions to county governments will be heard subject to any other business that the Rules and Business Committee may determine.

I, hereby, lay the Statement on the Table and thank you.

(Sen. (Prof.) Kindiki laid the document on the Table)

[The Speaker (Hon. Ethuro) left the Chair] [The Deputy Speaker (Sen. Kembi-Gitura) took the Chair]

**Sen. Mohamud**: On a point of order, Mr. Deputy Speaker, Sir. Are we in order to end the Statement session while we have not concluded issues regarding the CCTV surveillance? It is here.

**The Deputy Speaker** (Sen. Kembi-Gitura): I take it that the Speaker ruled that immediately we are done with voting, we would go back to Statements, and that is what Sen. Kagwe pointed out.

The Committee on National Security and Foreign Relations has not finished its business. There are a number of issues that were raised but which have not been responded to. I take it that the Senate Majority Leader was making a Statement on something completely different. We can do two things for the sake of convenience. We can either have reactions to the Statement by the Senate Majority Leader or go back to Sen. Fatuma Adan's Statement.

(The Deputy Speaker (Sen. Kembi-Gitura) consulted with the Clerk-at-the-Table)

**The Deputy Speaker** (Sen. Kembi-Gitura): Sorry, I am made to understand that the Senate Majority Leader has made a routine Statement which is not subject to debate.

Sen. Fatuma Adan, many issues were raised regarding your Statement on CCTVs. Therefore, you should react to the issues.

(Response to Issues raised under the Statement on Lack of CCTV Cameras in Major Cities)

**Sen. Adan**: Mr. Deputy Speaker, Sir, I will respond to the concerns raised by Senators. On the issue raised by Sen. Halima Mohamud on why there was a delay and why the tender was cancelled, that was explained in the Statement and it addresses her question.

With regard to the budget issue, yes, it was high and that is why the Public Procurement and Oversight Authority came in to cancel it. The Government has the machinery to track what happened.

**Sen. Billow**: On a point of order, Mr. Deputy Speaker, Sir. The issue I raised was not just that the budget was high. The budget was US\$100 million. However, the lowest bidder was 106 per cent above the budget. Why was the planning and design of the projects done in a way that they were marked with over 100 per cent? Those are the issues I raised.

The Deputy Speaker (Sen. Kembi-Gitura): In fact, you said, with over 106 per cent.

**Sen. Adan**: Mr. Deputy Speaker, Sir, there were discrepancies in the tendering system. That issue was also raised in the statement. There was a problem with the tendering process and that is why the Public Procurement Oversight Authority came in to cancel the tender. I may not give you the real answer in terms of what really happened but instead of giving an answer that is not sufficient, since we will be having a meeting with the Cabinet Secretary on Tuesday, at 9.00 am, this request made by Members of the Senate this Tuesday plus other concerns will be forwarded to him and we will come back with an adequate answer.

**The Deputy Speaker** (Sen. Kembi-Gitura): In that event, if you will interrogate the Cabinet Secretary on Tuesday, do you not think that it would be good for him to be interrogated on all the issues raised? It appears to me that you will come back to the Floor of the House with better answers than you have now. Do you not agree with me that we should suspend the answers you are giving so that we give one comprehensive statement after you have met the Minister? I am just thinking of a way forward.

Sen. Adan: Mr. Deputy Speaker, Sir, yes, that is what I wanted to say. Instead of giving a piecemeal answer or an inadequate response to the questions raised, we will

have a meeting with the Minister on Tuesday and once we have a clarification from him, we will come back with answers to the House.

Finally, I would like to say that the issue of CCTVs and the rest of the concerns raised by Senators are pertinent. We will take this seriously, as a Committee. We will follow this up to see that all issues are addressed and do something about it.

(Loud consultations)

**The Deputy Speaker** (Sen. Kembi-Gitura): Hon. Senators, please, consult in low tones.

**Sen. Kagwe**: Mr. Deputy Speaker, Sir, Sen. Muthama is the one consulting loudly, but he is my *muthoniwa*, anyway.

On a point of order, Mr. Deputy Speaker Sir. With regard to what the Senator has proposed, would I be in order to propose that as she goes to discuss these issues with the Cabinet Secretary, that she emphasises their importance?

(Sen. Muthama stood up in his place)

**The Deputy Speaker** (Sen. Kembi-Gitura): Let me deal with this one, Sen. Muthama. I will call you to address your point of order.

My proposal, Sen. Kagwe, and this is what I have proposed to the Vice-Chairperson of the Committee, is that very many queries were raised on the Statement that she issued. She has said that her Committee will be meeting the Cabinet Secretary on Tuesday next week.

So that we have a wholesome answer on the issues we have raised, including the urgency of this situation, since all of them have been recorded and they are in the HANSARD, that they be extracted so that the committee can raise them with the Cabinet Secretary. On Thursday, next week, when the Vice-Chairperson has said she will respond, unless I am wrong, she will give more comprehensive answers enriched by the questions and issues we have raised. At that time, we will interrogate the issues further depending on the Statement that will have been issued on Thursday next week.

I do not know whether that satisfies those who had asked questions. This matter will be canvassed further on Thursday next week.

**Sen. Muthama**: On a point of order, Mr. Deputy Speaker, Sir. You heard Sen. Kagwe, who is seated ten metres from where I am, saying that the loud consultations were coming from Sen. Muthama. I am seated with my colleagues, the Whip and the Deputy. There are matters that we have to consult on with regard to the leadership of the Senate. Is he in order to identify and pick on me? Can he be asked to withdraw and apologise?

**The Deputy Speaker** (Sen. Kembi-Gitura): I do not think this issue calls for an apology, but he is out of order. You were consulting and all I requested is that you consult in lower tones. That settles the matter.

ESCALATION OF SEXUAL OFFENCES AGAINST MINORS

**Sen. Adan**: Mr. Deputy Speaker, Sir, I would like to respond to a Statement which was requested by Sen. (Dr.) Zani. I hope she is in the House.

The Statement was with regard to escalation of sexual offences against minors, specifically incest and defilement.

She wanted, in particular, the number of cases reported to the police in the last two years and their status, operational strategies being put in place to control such incidences and a clarification on whether the current laws including the Sexual Offences Act (2006) are adequate in addressing the same.

She also sought information on whether the Government was considering tabling amendments to the above Act to enhance penalties.

I wish to state as follows.

In the last two years, the country has witnessed a number of sexual offences against minors. I, hereby, table a detailed report on the type, number and status of these cases in each county.

The Government has put in place the following strategies to detect and ensure that sexual offences against minors are eradicated.

First, the police and Children Officers are carrying out public sensitization seminars to create awareness on children safety. Secondly, the National Police Service has established a fully fledged child protection unit with a mandate to deal with cases involving children.

Thirdly, cases affecting minors should be fast tracked by the Judiciary and concluded within the shortest possible time. Finally, awareness seminars for the police and for violence against minors have been held. Whereas the Sexual Offences Act, 2006, provides for stiffer penalties for sexual offences in comparison to previous statutes, several issues are yet to be incorporated into the law. For instance, the law is not explicit on matters where the accused and the victim are both minors. In light of the existing gaps, the Government is in the process of proposing amendments to the Sexual Offences Act.

I have the list of cases that have been reported throughout the country. I will table it and the Senate can look at it.

(Sen. Adan laid the document on the Table)

**The Deputy Speaker** (Sen. Kembi-Gitura): Thank you very much Sen. Adan. I think for good order, I do not know whether Sen. (Dr.) Zani had seen that report before now.

Sen. Adan: No, Mr. Deputy Speaker, Sir.

Sen. (Dr.) Zani: Mr. Deputy Speaker, Sir, I have seen the report.

The Deputy Speaker (Sen. Kembi-Gitura): From where?

Sen. (Dr.) Zani: I was furnished with the information.

**The Deputy Speaker** (Sen. Kembi-Gitura): That is good and that is what I wanted to know. Then you are able to interrogate the Statement.

Sen. (Dr.) Zani: Thank you very much, Mr. Deputy Speaker, Sir. I think the issue of defilement and incest is quite rampant. I think the level of interrogation from this Report does not befit the level of the problem that we have. For example, I have looked at the figures, and on defilement, we have cases going up to 413 which are pending before the court and the nexus of this question was to ask what the Government is doing to

actually ensure that such defilement is controlled and eradicated and that people are actually put in a position that it is punishable and they would not want to defile girls. If we still have such cases, for the case of Nakuru, there were 389 cases in only two counties for the girls who have been defiled *vis-à-vis* the rape and incest cases. The question is actually if the Sexual Offences Act is working. I do not think an accurate answer for that has been given from the report that has just been given to us. In terms of the strategies and the operations, these are the same strategies we have used year in, year out.

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. (Dr.) Zani, you are not supposed to be debating this issue. You are supposed to interrogate the specific areas of the Statement that you want to be clarified by the Chairman.

**Sen. (Dr.) Zani:** Mr. Deputy Speaker, Sir, I would like the bit about public sensitization that is purportedly being done to be clarified. How many sensitization sessions have we had and where are they done? I would also like to interrogate the issue of fast tracking. To what extent has that happened? There is a feeling on the ground that not much has changed. We need a detailed answer and a way forward on whether the Sexual Offences Act is adequate because we need to save our young girls.

**Sen. Adan:** Than you, Mr. Deputy Speaker, Sir. I believe the concerns raised by the Senator are important concerns and I beg to ask your indulgence to seek further clarification from the relevant Ministry and get back to the Senator in two week's time.

The Deputy Speaker (Sen. Kembi-Gitura): Is that okay with you, Sen. (Dr.) Zani?

Sen. (Dr.) Zani: That is in order, Mr. Deputy Speaker, Sir.

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. Adan, have you exhausted your Statements?

#### (Sen. Karaba stood up in his place)

Sen. Karaba, what are you standing on your feet about? I am talking to Sen. (Dr.) Zani and Sen. Adan. Could we do things properly?

**Sen. Adan:** Mr. Deputy Speaker, Sir, I have another Statement but the Senator who sought it is not in the House. So, I do not know whether I should proceed and issue it or wait for him.

**The Deputy Speaker** (Sen. Kembi-Gitura): The direction is that when a Statement is sought, it becomes the property of the House and that is what the Standing Orders say. What about the one for Sen. Lesuuda?

Sen. Adan: Mr. Deputy Speaker, Sir, we agreed to postpone issuing the Statement.

The Deputy Speaker (Sen. Kembi-Gitura): With the leave of the Speaker, I believe.

Sen. Adan: Yes, Mr. Deputy Speaker, Sir.

**The Deputy Speaker** (Sen. Kembi-Gitura): I think the Speaker was specific on that one. But do you have the one sought by Sen. (Dr.) Kuti?

Sen. Adan: Yes, Mr. Deputy Speaker, Sir.

The Deputy Speaker (Sen. Kembi-Gitura): Technically, a Statement once brought to the House is the property of the House, but because you have made that specific request, I can bend the rules and say that you give it next Tuesday. What day would you want to give it?

**Sen. Adan:** Thursday will be okay, Mr. Deputy Speaker, Sir. I think we need to have one particular direction because I had some Statements yesterday and the Speaker ruled that we should not give these Statements when the Senator who sought the Statement is not in the House. So, maybe we need to have guidance on that.

**The Deputy Speaker** (Sen. Kembi-Gitura): Okay. Guidance shall be given on that. But off the cuff, that is what I would think. However, if the Speaker had said something to the contrary, then, of course, we have to harmonize that. Sen. Karaba, did you have something to say?

Sen. Karaba: It is okay. I am convinced.

**The Deputy Speaker** (Sen. Kembi-Gitura): You are convinced about what? **Sen. Karaba:** I am convinced about what she has said.

**The Deputy Speaker** (Sen. Kembi-Gitura): But she has not said anything about you. It is okay if you have no issue. I think that is the end of Statements.

Next Order!

#### MOTION

#### GOVERNMENT SUPPORT TO TEA AND COFFEE FARMERS

THAT, aware that Kenyan coffee and tea are the major agricultural export earners; further aware that Kenva is rated as the fourth largest tea producer and the second biggest exporter in the world and that Kenyan coffee is regarded as one of the best coffees in the World; concerned that in the recent past, the tea and coffee production has tremendously deteriorated due to lack of commitment by the Government in supporting the tea and coffee farmers in the cultivation of these two crops; further concerned that the government has not been keen in coming up with marketing strategy of these two crops; concerned that Kenyan farmers are suffering a great deal due to lack of mechanization of agriculture: the Senate urges the National Government to support tea and coffee farmers by providing subsidized fertilizer to boost production as is the case of wheat and maize and actively get involved in the marketing strategy of these two crops and further that the National Government makes budgetary provisions to buy and store coffee and tea when the international market prices are down in order to sell when the prices improve.

#### (By Sen. Muthama on 23.10.2013)

#### (Resumption of Debate interrupted on 23.10. 2013)

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. Muthama, this is your Motion. When it was adjourned, Sen.(Prof.) Lesan had a balance of eight minutes. Do you want to take your balance of eight minutes? **Sen.** (**Prof.**) Lesan: Thank you, Mr. Deputy Speaker, Sir. I wish to continue with my contribution on the Motion by my colleague, Sen. Muthama, with regard to tea and coffee. As I was saying yesterday, the coffee and tea farmer is the most oppressed individual in this country. This is because the farmer is challenged by various things including the weather, poor returns from the produce, exploitation and also the taxation that is involved in the produce that the farmer deals with. The most affected are the tea and coffee farmers.

There are various challenges which face these farmers and some of them are issues that we can deliberate on and solve. One of the biggest challenges that the Kenyan farmer faces is in the area of marketing their produce. There is hardly any strategy that is used to market some of the cash crops that is beneficial to the farmer. I know of countries like Sri Lanka which do tea farming. There are certain strategies which they use in their marketing processes that are useful to the farmer. For example, in Sri Lanka, the farmer is cushioned when the prices of cash crops fluctuate in the market. The Government subsidizes the farmer so that they are assured of some earning irrespective of whether the world market is down or up or whether the weather is unfavourable. This model has been useful in keeping the farmer afloat when there are various difficulties. Because we are trading in the same market with Sri Lanka, it is important that we also learn from some of these tactics that they are using in order to market our cash crops.

Mr. Deputy Speaker, Sir, there is a lot of useful information and knowledge through ICT. We have always traded our tea in the long room in Mombasa. That involves transporting the product from where it is produced all the way to Mombasa in order to trade. With the arrival of e-information, it is now critical that we use e-trading in order to sell our produce straight from our factories where we make them to wherever the buyer is sitting, be it in Europe or the United States without necessarily having to go to the long room. Now that the model of e-trading has now taken root the world over, it is important that farmers of this country take advantage of this in order to maximize on the possible profits that will accrue from using this new tactic. So, there are ways in which we can change the way in which we trade in order to be able to maximize on the profits.

I say this because I know that with e-trading, we will lock out one of the greatest nuisances in trading in the long room and that is the brokers. The brokers earn much more than the farmer because they can manipulate, fix prices and virtually do anything they want with the produce which is sold at the auction. With e-trading, this will be curtailed and the earnings that have been disappearing into the brokers' pockets will be significantly reduced or completely removed altogether. The accruing benefits will go to the farmer. I think e-trade is not very difficult to adopt because it is already being applied in other markets where bulk commodities like tea and coffee are being traded. It is possible to do this in order to help the farmer who deals with cash crops.

Mr. Deputy Speaker, Sir, the other thing which we could do in order to save the farmer is to remove unnecessary taxation. I know for sure as we stand and debate this Motion today here, the tea farmer in this country is paying *ad valorem* tax, which is tax levied only on tea as far as I am concerned and as far as I know. What is frustrating and annoying is that the tax accruing from *ad valorem* is used to do things that the farmer has not been consulted on. These are things which could be done elsewhere. For example, the *ad valorem* tax on tea is used to promote research on tea in tea growing areas. I do not

know of any other place the world over where a farmer finances the research process in the product they produce. I would expect that if this is to be done, it should be done for all products in this country including tax on maize and beans in order to conduct research.

I have no good reason to support the idea of having taxation on tea alone in order to finance research. This kind of taxation is punitive to the farmer and I think the way to assist the farmer is to exempt them from this kind of tax which is needless. This kind of money accruing from this tax can be sourced from elsewhere rather than punishing the already punished farmer. The world over, we are moving towards a liberalized market. I want to suggest on matters to do with tea and coffee, this area be 100 per cent liberalized so that the forces in the market place control the prices of tea and whatever is accruing from this goes directly to the farmer. The Government should step in and assist the farmer in the various possible ways as suggested above in order to have a better take home.

I support the Motion.

**Sen. Khaniri:** Thank you, Mr. Deputy Speaker, Sir for according to me, the opportunity to make my remarks on this Motion. I will be very brief. I listened on radio as Sen. Muthama moved this Motion, and I listened to my colleagues who made their contributions yesterday on the same Motion, and I want to say that most of the points that I had were well covered by the Mover and my colleagues who spoke earlier and, therefore, I do not want to risk repeating.

Let me begin by thanking Sen. Muthama for bringing this important Motion and I think if it is implemented, we are going to address the problems that are facing our tea and coffee farmers.

Mr. Deputy Speaker, Sir, I come from a coffee and tea growing county. My parents were coffee and tea farmers. I am now a tea farmer. Therefore, I fully understand the predicament that these farmers face. This Motion as put captures the concerns and needs of our farmers back in the counties where tea and coffee is grown. As I said earlier, when I was born, I found my parents farming tea and coffee. However, over the years, they uprooted the coffee trees. I was young when they did this. I came to learn much later that the reason they did this was because it was no longer profitable to engage in coffee farming. They could not even break even. My mum still struggles with tea farming, but I guess she just does it for passion. There is nothing she gets from tea farming. I do not think she even gets the amount of money that we put in every year. She has done this for many years and, therefore, thinks she should just continue doing it.

Mr. Deputy Speaker, Sir, it is a shame that for all these years the successive governments have failed to come up with policies that will ensure that farmers benefit from their farming activities. Tea and coffee remains the biggest foreign exchange earner for our economy. Farmers are losing a lot to the middle men. They are cheated and get raw deals in the international market. The biggest beneficiary becomes the middlemen and maybe the Government because of the foreign exchange that these crops bring in.

Mr. Deputy Speaker, Sir, there is no doubt, as put by the Mover of the Motion, that Kenyan coffee and tea is the best in the world market. For those of us who have travelled, we know that in most countries in Europe and Asia, they use our tea and coffee to blend their poor quality coffee. But the sad thing is that even after they do that, it does not sell as Kenyan tea. It sells as, for example, Singapore, Sri Lanka or Belgium tea. This is really a sad state of affairs, it is a shame.

Mr. Deputy Speaker, Sir, what this Motion is proposing will be the solution to these problems. In my opinion, the proposals by the Mover will go a long way in alleviating the problems the farmer is going through. The first solution is that if we want the famers to maximize on these crops, the Government must come up with a policy to ensure that we are not exporting tea and coffee as a raw material, but as a finished product. This is value addition, which must be done.

Secondly, we must subsidize fertilizer. I appreciate that where I come from, the Kenya Tea Development Agency (KTDA) supplies farmers with fertilizer. But farmers at the end of the day pay for this fertilizer for years. This eats up the bonus from the earnings that they would have got from their produce. Therefore, the Government must come up with a policy to ensure that the fertilizer that is being supplied by KTDA and others is subsidized. Thirdly is the issue of marketing that the Mover of the Motion brought out very well. We must do aggressive marketing of tea. We should ensure that we cut off the middlemen who exploit our farmers.

Fourthly and most important is the budgetary provision to cushion farmers when the international prices drop. That has been captured very well in the Motion, that there should be a budgetary provision so that when the prices internationally go down, the Government should be able to buy the produce from the farmers, keep in store until such a time when the prices improve and then the Government can sell. Otherwise the farmer remains the most frustrated person in this country. The Government should get its act right. We must have proper priorities to ensure that the farmer is assisted.

I want to urge the Mover of this Motion, Sen. Muthama, my good friend and elder brother, to ensure that after we overwhelmingly pass this Motion, he should bring a Bill so that we give a proper effect to this Motion.

Mr. Deputy Speaker, Sir, I want to be on record. I support the Motion.

**Sen. Billow:** Thank you, Mr. Deputy Speaker, Sir, for this giving me this opportunity. I rise to oppose this Motion. First and foremost, I agree that tea is one of the key commodities that are produced in this country. In fact, it contributes significantly----

#### (Sen. Muthama consulted loudly)

Mr. Deputy Speaker, Sir, I need protection from Sen. Muthama.

The Deputy Speaker (Sen. Kembi-Gitura): Order, Sen. Muthama!

**Sen. Billow:** Mr. Deputy Speaker, Sir, there is no doubt that as one of the fourth largest export commodities, tea contributes significantly to foreign exchange inflows into this country. This has happened for many years. I also appreciate that there have been challenges, not just in the tea and coffee sector, but we generally have had challenges in the entire agricultural sector in this country. The same challenges that we have with tea and coffee are the same challenges we have with maize and wheat farming and all the other agricultural sectors in this country. Over the years, we have been discussing the causes of these challenges and have been looking into the remedies to these challenges. We have tried many remedies in the past. We have even subsidized coffee and tea farmers, including writing off debts. We have done the same for sugar cane farmers. Today, we are subsidizing maize farmers. The reality is that we need to address the issues that are facing our agricultural sector.

Mr. Deputy Speaker, Sir, the most important issue is the management of the sector. In the second part of the Motion where the Mover is asking that the Government assists in marketing, we know, for example, that the Coffee Board of Kenya (CBK) and the Tea Board of Kenya (TBK) have been operational. However, other institutions have failed. There is nothing more spectacular than the collapse of the Kenya Planters Co-operative Union (KPCU). Many other institutions have failed. There was the Kenya Farmers Association (KFA). The New Kenya Co-operative Creameries was revived recently after collapse of the initial Kenya Co-operative Creameries (KCC). There are other organizations such as the Kenya Meat Commission (KMC) which have gone through the same process. The problem has been the management of institutions that ought to market our products.

Mr. Deputy Speaker, Sir, the second thing is about the policy interventions. When you look at the Ministry of Agriculture, Livestock and Fisheries, our failures have been as a result of the policies. We have discussed this issue at length. If you look at the latest policy by the Ministry, the one developed in 2006 on revitalizing the agricultural sector, all the challenges facing that sector are covered in those documents. The challenge comes when the issue of implementation comes in. My concern is that, this Government which today is struggling to finance devolution and to even pay its workers; I do not see how the same Government is expected to buy all the tea and coffee when the prices are down.

The issues in the tea and coffee sector are not as gloomy as those in the other sectors. Last year, the tea bonus was the highest ever recorded. Every time there is a tea bonus, we know what happens in this country. We know how that money gets squandered in bars and night clubs. We have read about this. So, it is not a question of lack of profitability in these sectors. When the international prices are good, farmers in the tea and coffee sectors have made huge money.

Mr. Deputy Speaker, Sir, my concern is about the precedent we will set if we subsidize coffee and tea which are cash crops. They are not essential crops like maize and beans. Farming of maize and wheat is all about self-sufficiency and food security. That is why today the Government is subsidizing fertilizer for maize and wheat farmers. If we do not have maize, beans and wheat, then we are talking about a situation where there will be starvation in this country. However, a cash crop is an investment just like any other. There are people growing pyrethrum and many other crops---

**Sen. Muthama:** On a point of order, Mr. Deputy Speaker, Sir. I am sure we have all heard Sen. Billow say that the Government is struggling to pay salaries. He is the Chairman of the Committee on Finance, Commerce and Economic Affairs and knows very well that the said Government noted that over Kshs300 billion was not spent last year. That is the money that would have been used to cushion and support coffee and tea farmers. Am I order to say that as the Chairman of the Committee on Finance, Commerce and Economic Affairs, he should be here to give us guidelines?

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. Billow, may be you can clarify your statement.

**Sen. Billow:** Mr. Deputy Speaker, Sir, this is a point of debate that the gentleman is making. It is clear that today we have a serious demand for finances in this country. There are challenges that this country faces. He is aware of this. The reasons for having the money that was not spent are known. It is not about the fact that there is surplus of money.

Mr. Deputy Speaker, Sir, let me continue with my contribution. In my view, we can subsidize basic commodities, so that we can attain food security. The objective of this Government today is how to ensure food security. That is our primary responsibility. When we do not have food security, I do not see how we can talk of cushioning farmers in the cash crops sector. This is an area that requires investors to put in value addition, to put up tea factories that can modernize this sector. We should sell branded coffee and tea to the rest of the world. That can be done by investors. The era where the Government is expected to package tea and coffee, market it, run around all over the country, as a Government institution, Ministry or State Corporation, I do not think---

Sen. Muthama: On a point of order, Mr. Deputy Speaker, Sir.

Sen. Billow: Is this a point of order?

The Deputy Speaker (Sen. Kembi-Gitura): Yes, Sen. Muthama.

**Sen. Muthama:** Mr. Speaker, Sir, the Motion is not seeking for the Government to purchase coffee and tea and become consumers. It is only when the market is down that the Government puts in money to assist farmers. When the market prices go up, the Government sells those products at a higher price and makes more money ---

**The Deputy Speaker** (Sen. Kembi-Gitura): Order, Sen. Muthama! Is that not a point of argument or a debate?

Proceed, Sen. Billow.

**Sen. Billow:** Mr. Deputy Speaker, Sir, it is a pity. We all have those challenges. When we experienced the last drought in 2007, we lost livestock whose value was estimated by this Government in tens of billions of shillings. Are we going to ask the Government of Kenya to buy all the cows, goats and sheep when we expect drought, let them keep them and sell them later? The point is, if we take this reasoning further, it becomes difficult to justify.

The point being raised about tax, any activity that we do of productivity whether it is in agriculture, furniture making, growing cash crops or any other enterprise, the objective of the Government is to raise revenue, so that we can use that revenue to provide services. If we suggest that, perhaps, we should remove taxes on certain products, then we are the same members of Parliament who have been passing Motion after Motion, asking that the Government pays for this and that. With all due respect, my argument is that this should be a burden on the Treasury.

What we need in this country - and we have seen this from some of the counties is that we need to take positive steps. Counties have taken very positive steps; they have gone out to look out for investors who can invest in value addition in the tea and coffee sectors. That is what we need to encourage. We need to encourage the Government to develop infrastructure around the tea growing areas and so forth, so that they can make the cost of production also more competitive.

Mr. Deputy Speaker, Sir, we need to focus on food security and invest in rain water harvesting and rain-fed agriculture. We also need to put millions of acres of land under irrigation, so that this country can produce food. Therefore, to suggest that the Government should now start buying coffee and tea in the same way that it buys maize and beans and keeps them, I think is really going to be a burden on the Government and I do not support the idea.

Mr. Deputy Speaker, Sir, I beg to oppose.

**Sen. Kagwe:** Mr. Deputy Speaker, Sir, I rise to support the Motion and also appreciate Sen. Billow's contribution. Indeed, Sen. Billow has some ideas that can make a lot of difference in the Motion in question. But I do not support all the things that Sen. Billow has said, especially on subsidizing agriculture.

Mr. Deputy Speaker, Sir, the issues of subsidizing in areas of agriculture are matters global. Indeed, as an individual, during your term as Ambassador in Brussels, I am sure that you interrogated a lot of issues to do with the World Trade Organization (WTO), where it is proposed, for example, that subsidies in agriculture should be removed by the WTO. You will remember that actually the failure of the Doha round of talks came about because of the attempt by the developing countries to make the developed countries stop subsidizing their agriculture. In fact, in terms of subsidies, a Japanese cow is subsidized with at least US\$5 per day. A French cow earns Two Euros per day by way of subsidies to the farmers.

Consequently, it is not a strange thing for us to ask ourselves if, indeed, we were to subsidize fertilizer, whether they would actually be losing money at the end of the day as the Treasury. I oppose it and say that it is not true. You will earn that money through increased volumes, because of the use of fertilizer. The mere purpose of use of fertilizer is to increase the production of coffee, tea and other crops that we subsidize. The purpose, therefore, ultimately, is to increase the volume, so that the country can earn more in foreign exchange and the farmer can also earn money. But we must also not lose sight of what we are trying to do by the end of day. By the end of the day what we are trying to do is increase the farmers' earning. The fertilizer subsidy is simply a very small means to the same end that we are trying to achieve.

Mr. Deputy Speaker, Sir, I would propose that in addition to the measure of subsidizing agriculture and fertilizers, we need to think very broadly about value adding in agriculture. The farmer will never achieve the ends or earn the amount of money that they can earn, until we value-add on our coffee and tea. Until such a time that we will keep the jobs that are created by tea and coffee in our country, we will never benefit as a society to the extent that we can.

Mr. Deputy Speaker, Sir, I think that it has been proposed that the Mover should bring a Bill. In that Bill, I would propose to Sen. Muthama, that he includes the fact that Kenya should not export raw materials in terms of coffee and tea. It is not without the bounds of imagination to see a situation where Brazilian coffee will be imported into Kenya. It is not Kenya's coffee to be blended with Brazilian coffee in London, but Brazilian coffee to be imported into Kenya, blended here in Kenya and then, exported to the countries that want to buy the blended coffee. Why should we send our coffee to London, where there is not a single coffee tree, and they are the biggest earners of the proceeds from coffee?

The biggest producer of coffee at the moment, I think is Germany, yet they do not have a single tree anywhere. They are getting Brazilian coffee on one end and Kenyan coffee on the other end, putting them together and then selling it as German coffee, at the rate of Three Euros per cup of coffee. If you transform Three Euros in a cup of coffee to a kilogramme of our Kenyan coffee, the farmer should be getting not less than Kshs100 to Kshs150 per kilogramme, yet at the moment, a farmer is earning Kshs17 per kilogramme and sometimes it goes down to Kshs7 per kilogramme. We simply cannot afford a situation where we have got poor farmers who work so hard. Mr. Deputy Speaker, Sir, therefore, as a short-term measure, the Motion that Sen. Muthama has moved is okay, but it is only a short-term measure. We must invite companies out there, including the Walmarts of this world and other supermarkets which can work with us to make our coffee sellable here. While we wait for that, it is also important for us to create cartels and monopolies. The reason oil became expensive in 1973 is because the Arab nations came together and sold their oil together. So, the reason we can be cheated here is because the Machakos and Nyeri coffee is being sold everywhere in bits and pieces. But we could come together and say that the Murang'a, Nyeri and Machakos coffee is going to be sold at once together and we will not sell our coffee until the price is so much.

That is where Sen. Muthama's Motion should come in, so that we can hoard the coffee and tea until somebody out there is willing to pay our price. But in order for us to do that, it is necessary that county governments and the national Government have some form of intervention that can say that the farmer will not go hungry during that period, and we continue paying the farmer a little money until when the price has gone up, so that he does not starve. So, we do not actually have to buy the coffee. All we need to do is to make sure that the farmer keeps on earning some money from us, so that they do not starve and sell their coffee at a price that is next to nothing.

Mr. Deputy Speaker, Sir, with those few words, I beg to support.

**Sen. Karaba:** Thank you very much, Mr. Deputy Speaker, Sir, for giving me this chance to support, from the outset, the Motion which was moved by my friend, Sen. Muthama. I was asking myself why he was moving it, when he does not even grow tea. But I told him that I will support it because I am a farmer of both tea and coffee. I also represent coffee and tea farmers in Kirinyaga County. We are one of the leading counties in the production of these two crops. These two crops are major foreign exchange earners in the country. We cannot run away from the fact that whether we like it or not, these are the two crops which earn Kenya a lot of money in the form of foreign exchange.

Mr. Deputy Speaker, Sir, as a safety measure, we should be in a position to protect the farmers during times when they are in problems. These farmers are having problems after injecting a lot of money in the farms and yet the markets are behaving badly. They cannot get enough money as they would like. That is what the Motion is all about. So, if, for example, the production costs could be lowered, the coffee and tea farmers certainly would make greater profits from their efforts. This is purely based on what we call the opportunity cost. In coffee and tea farming areas, there is very little that can grow except coffee and tea, because the environment, weather and terrain allow only those two crops to grow in those areas. These areas are confined in certain parts of Kenya. They form about one third or a quarter of Kenya and they produce enough to be sold, so that we can be proud of being the best coffee and tea farming nation in the world.

So, we should, therefore, salute the coffee and tea farmers by saying that they have put the Kenya on the world map and on the right track. Therefore, if we continue supporting the farmers in that direction, I am sure that we will earn more money. This is the money which later on, will be translated into various development projects in the country. The same money will be used to provide a good road network in North Eastern. It can also be used to build the Lamu Port and safeguard the integrity and security of the country.

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Mr. Deputy Speaker, Sir, if a country cannot be proud of being an exporter of a major crop, then that would be a very serious drawback. In Kenya, we are happy that we can talk about tea and coffee. These are the two crops that earn us money. So, what do we do when frost comes, particularly in the tea growing areas? You will find one morning that there is no tea to be picked and two months after that, the farmer will experience problems since he will not have earned even a cent. During such times, we need to compensate the farmer by paying him for the loss, because that is not his fault. We need to make sure that the farmer is insured against such calamities. If we are not going to protect the farmers in those regions, and these are the people who grow the crops which bring in money that goes into support of various projects, then we will be failing as a country.

That is what this Motion is all about. When there are problems of production, the Government should come in. This is not the first country in the world to do that. In America the cotton growing belt was moved from east to west. When it moved to the west, they found that it was not possible to grow cotton because of the increasing problems of ball weevil. America had to make sure that cotton farmers had to be sustained. As a result of that, they introduced subsidies to the farmers. The same happens in Australia. Last week, the Australian Government moved in to save the sheep farmers when there was a great fire. So, there are times when the Government will come in to save the situation. That is what we are asking the Government to do. When times are harsh for production that is when the farmers have high production, it will go towards raising enough money even to pay for the lost time.

Mr. Deputy Speaker, Sir, since the prices of fertilizer continue to rise, why can the Government not produce that fertilizer, so that the prices will be lower and the farmer can realize greater yields? Why can we not start a fertilizer factory in the country? Is it impossible to have one? We have all the factors of production. We have the oil that we are importing from wherever, water, a market and the manpower to do that. If we can reduce the costs of production, so that we can save the farmers, that is all that they need.

Mr. Deputy Speaker, Sir, according to me, our Kenyan coffee is the best in the world. Why should we allow those two crops to be blended with the other tea and coffee produced in other countries so that they can export it like it is theirs, when it is our coffee which is earning those countries money? So, we need these crops to be patented so that our coffee farmers can get as much money as even those people who consume it elsewhere.

Mr. Deputy Speaker, Sir, we travel to see and compare, but many are the times we go to other countries and when we come back, we forget that we have learnt things. We should go to other places and see how a country like China can afford to feed 1.3 billion people. The population of China is more than the whole of Africa. That is so because the Government or the state has supported the farmers in China so much so that they even undertake to do some research on their own; they give the research resources to the farmers and the farmers feel that they are protected. When there are typhoons and cyclones in China, the Government will come in and protect the farmer. What is wrong with the Government protecting the farmers when they are facing some difficulties, and yet these are the same people who will feed the country? So, this is what we are seeking this Motion to do. Since that is our opportunity cost, let us develop that because there is nothing that can happen.

Mr. Deputy Speaker, Sir, we need to take liberalization policies cautiously. When we talk of the prices and say that the production of coffee and tea has been liberalized, we need to be careful because farmers might not even understand this policy of liberalization. There are some fellows who will be out there to take away all that the farmers have done in their farms, and they even manage to sell these products – coffee and tea – when they know that the market will, at one time, be high and without the knowledge of the farmer. We need the farmer's knowledge to be taken care of; we need to have extension workers to advise these farmers to know exactly how they should go about production and marketing of their produce. That is all we are asking for.

We are not asking the Government to take the produce and sell it. It is about sensitization of the farmers to understand when is the best time to sell their produce so that even when the product is held awaiting the marketing time, then the farmers will not suffer. That is what we are supporting in the Motion. Without supporting this Motion, then my people out there will ask me "what are you doing in the Senate?" These are farmers who are growing coffee and tea, and I hope they are seeing me wherever they are, if we are being covered by the media.

With those few remarks, Mr. Deputy Speaker, Sir, I beg to support.

Thank you very much.

### (Applause)

**The Deputy Speaker** (Sen. Kembi-Gitura): Proceed Sen. Martha Wangari; you have six minutes maximum, because the Mover must reply by 5.25 p.m.

**Sen. Wangari:** Thank you, Mr. Deputy Speaker, Sir. First of all, I want to thank the Mover for bringing this Motion to this House. I grew up in the county that you represent in this House, which is a producer of both coffee and tea. I was telling one Senator that I could pick tea before I could even go to school---

**The Deputy Speaker** (Sen. Kembi-Gitura): Which county do you represent in this House, Sen. Martha Wangari?

**Sen. Wangari:** I meant the county which you, Mr. Deputy Speaker, Sir, represent in this House.

The Deputy Speaker (Sen. Kembi-Gitura): Okay.

**Sen. Wangari:** That county is also the county where I was born – Murang'a County – which is a producer of both tea and coffee. I know I have tasted what coffee farming is all about because my mother still grows both tea and coffee in Murang'a. It is unfortunate that there are many Motions that we have supported about livestock, and most of the people that we have supported are missing in this House.

Sen. Muthama: On a point of order, Mr. Deputy Speaker, Sir.

The Deputy Speaker (Sen. Kembi-Gitura): What is it, Sen. Muthama?

**Sen. Muthama:** Mr. Deputy Speaker, Sir, I want to donate at least three minutes to Sen. Wangari and two minutes to---

**The Deputy Speaker** (Sen. Kembi-Gitura): Why do you want to donate three minutes to Sen. Wangari and she has not even finished her time?

Sen. Muthama: Mr. Deputy Speaker, Sir, just to make it ten minutes.

The Deputy Speaker (Sen. Kembi-Gitura): Okay.

Sen. Wangari: Thank you, Mr. Deputy Speaker, Sir. I also want to thank the Mover for his generosity.

Mr. Deputy Speaker, Sir, I was telling one Senator that I could pick tea even before I went to primary school. I have grown in tea farms; I have grown up seeing coffee and this Motion is such a breath of fresh air because we have supported very many Motions on livestock. It is really a breath of fresh air to have something touching on the coffee and tea.

Mr. Deputy Speaker, Sir, not only are we the largest – we are actually the fourth largest tea producer and second biggest exporter in this country and we cannot overemphasize the importance of tea and coffee in this country. I was in New York last week and we went to one of the offices – I think the Office of the State Comptroller – with my Committee and we were served Kenyan tea. The reason we were served Kenyan tea – whether it was as an act of public relations or just a welcome note for Kenyans – shows that our tea is recognized globally. It is such a sad situation to see and even read that there are countries which use our coffee, because it is the best in the world, to blend their poor coffee and still sell the same to us.

When I was growing up, I remember it got to some point that we actually brought down coffee – we cut down coffee plantations – and planted maize and nappier grass. That was by experience because it had become such a zero point. We could pick coffee and tea – and it is hard work; the women there really toil hard because you pick when there is rain or sunshine – but the returns were not commensurate with what the people were going through. The women could stay in the buying centres up to morning, and we took coffee to the factories – which were many kilometres away. I do not even know how we used to survive, but somehow we did, because you cannot keep it in your house. In fact, if you have tea stay overnight, then it loses value; first of all, it loses weight and, secondly, it is perishable and, therefore, you cannot get the maximum value.

Mr. Deputy Speaker, Sir, value addition has been alluded to; this cannot be overemphasized, and it has to be a shared responsibility of the national Government and the county governments, taking into account that agriculture is a devolved function. I know that in some of the counties, the governors have taken initiative, especially the county represented by Sen. Mutahi Kagwe, which I know they have done something on the marketing of coffee. But we cannot just talk about marketing and forget that we need to produce. We must help in the production so that these volumes and the billions that we talk about in foreign exchange can cascade down to the farmers. Because we only hear that we generate billions of shillings, but they do not reach the *mwananchi*. I think this is what we have to deal with; break the cartels that are there, especially in the coffee industry.

Mr. Deputy Speaker, Sir, we must also not forget that we are dealing with – even as the Jubilee Government is really struggling to deliver on the manifesto – one of the biggest problems that we have, which is unemployment. If we can make coffee or tea production attractive, then we will attract young people; we will retain more people who will take up coffee and tea farming as a business so that we do not have the problem of having millions of Kenyans who are unemployed, taking into account that more than 70 per cent of this country's population is under 40 years. We have a problem of unemployment and this is one way of tackling it. Mr. Deputy Speaker, Sir, I think we have to look at other ways of marketing; the marketing strategy must be re-evaluated and we must embrace digital world that we proclaim---

With those few remarks, Mr. Deputy Speaker, Sir, I beg to support.

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. Gwendo. I think you were given four minutes.

Sen. Gwendo: I will work with the Deputy Speaker's four minutes.

**The Deputy Speaker** (Sen. Kembi-Gitura): No; it is not mine. The donation is by the Mover of the Motion. How many minutes did you give her, Sen. Muthama?

Sen. Muthama: Mr. Deputy Speaker, Sir, I gave her two minutes.

The Deputy Speaker (Sen. Kembi-Gitura): So you have two minutes, Sen. Gwendo.

Sen. Gwendo: All right.

Thank you, Mr. Deputy Speaker, Sir. I stand here to support this Motion for two reasons; one, I support it because I am a lover of coffee and I cannot finish a day without taking coffee. Two, I grew up in Kericho, where tea is grown, and I saw the way families struggled – the mother, father and the child all go picking tea – so, I understand the whole struggle. So, these two products need support, and I believe that if farmers are given the support of fertilizer and the marketing, then we will prevent the scenario of farmers selling tea and coffee on the roadside, because these are good products that can actually help to boost the economy of this country and help with the problem that we are talking about, of the country having financial problems.

Kenya is known for growing of coffee and tea, and Kenya should be proud of this. So, this Motion should be taken seriously and I congratulate the Mover because if we support the farmers, Kenya will be making money and the farmers will be boosted, and they will feel more encouraged. Therefore, this product that I love very much – coffee – I will be drinking good coffee from Kenya. I will not have to go to a restaurant and drink coffee that is packaged in another country, yet I live in a country that produces very good coffee as well as tea.

So, Mr. Deputy Speaker, Sir, I support this Motion because I think that if the farmers were supported, this is going to go far in boosting so many things that will then further help our economy.

Thank you, Mr. Deputy Speaker, Sir. I beg to support.

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. Muthama, you may now reply, and you have only seven minutes.

**Sen. Muthama:** Thank you very much, Mr. Deputy Speaker, Sir. I wish to thank those who contributed to this Motion and for the issues that they brought up.

Mr. Deputy Speaker, Sir, just to be brief and clear, let me say that the last coffee that was harvested, the average price that was made by the areas that produce coffee, including the county you represent, was about Kshs22 per kilogramme. If you look at the cost of producing that coffee for the whole year and the amount of work that was invested, not only did those farmers not make money, but they actually went into total losses. The issue here – and that is what Sen. Mutahi Kagwe and other contributors have said – is that what we are trying to do here is to hold on to what is ours and say we do not want to give it for free. Since the market is bad, we want to hold on to our coffee and tea, and when the market is good, we want to release it to the market. The Government at that

particular time will earn the much needed foreign currency that will help the country and, secondly, the Government will recover its own money. Thirdly, the farmers will have been supported.

Mr. Deputy Speaker, Sir, the only thing that can make us be leaders and have a Government that cares for its citizens is to protect the citizens themselves. So, we should not just circle on areas where we are paying salaries, and we are spending money to do other things and forget that those who generate that income need to be protected. So, we need to consider this, and as it has been mentioned here, I am prepared to bring a Bill immediately to make sure that this issue is dealt with once and for all.

Mr. Deputy Speaker, Sir, Sen. Karaba spoke with a lot of authority because his area is just like mine; 75 per cent of my people do not grow anything else except coffee and, more so, tea. You have heard here that those who actually grow tea in Rift Valley and other areas also raised the same issues. So now, for once, we need to start with this.

Mr. Deputy Speaker, Sir, Sen. (Prof.) Kindiki indicated that the counties will earn money once this is implemented. I want to add that, actually, it is not only the counties that will earn money, but the Government will also earn foreign currency, and they will not be looking for where to get money to buy fuel, weapons, medicine and other essential commodities that we need.

Mr. Deputy Speaker, Sir, Sen. (Dr.) Machage indicated that this is now an eye opener, and we have started with this small idea, but it should be expanded to bring other commodities which are also exported outside Kenya.

Mr. Deputy Speaker, Sir, Sen. Orengo mentioned that many factories had actually closed down, and these are not only coffee factories. The only area where we can now talk about factories existing in villages is only in the coffee and tea areas. Sen. Kittony indicated and brought it out very openly with a lot of strength that by doing this, we are not just protecting the whole industry, but we are protecting the small farmers and at the same time, we are maintaining the brand name of Kenya in the international market. Because as I said in my opening remarks, our name has been taken away; it has been stolen; coffee is from Colombia and nothing comes from Kenya; tea is from Sri Lanka and no other area, but it is actually our product and we need to protect it.

So, Mr. Deputy Speaker, Sir, I beg to move the Motion.

**The Deputy Speaker** (Sen. Kembi-Gitura): Order, hon. Senators. Under Standing Order No.69 (1), it is my considered opinion that this Motion does not affect counties - for obvious reasons - that it is calling upon the national Government to do certain things. This will not be a vote by delegation. Therefore, I will just put the question.

(*Question put and agreed to*)

#### Adoption of Report on Visit to Kisii, Nyamira, Kisumu, Kakamega and Vihiga Counties

THAT, the Senate adopts the report of the Standing Committee on Education, Information and Technology on the visits to Kisii, Nyamira, Kisumu, Kakamega and Vihiga counties laid on the Table of the House on Thursday, 17th October, 2013. **Sen. Kagwe**: Mr. Deputy Speaker, Sir, whereas I should move the next Motion, I seek your indulgence according to Standing Order No. 1, to postpone debate to another day so that we prepare adequately. The Seconder is not also around at the moment.

**The Deputy Speaker** (Sen. Kembi-Gitura): Sen. Kagwe, are you saying that you are not ready to move the Motion?

Sen. Kagwe: Yes, indeed, Mr. Deputy Speaker, Sir.

**The Deputy Speaker** (Sen. Kembi-Gitura): In any event, I will not urge you to proceed with a Motion if you are not ready to proceed with it. I am also aware that Standing Order No.39 and Standing Order No.1 have discretion on an issue like this one. I propose that this Motion be deferred to Tuesday next week when this House resumes.

Is that okay, Sen. Kagwe?

Sen. Kagwe: Yes, Mr. Deputy Speaker, Sir.

(Motion Deferred)

#### ADJOURNMENT

**The Deputy Speaker** (Sen. Kembi-Gitura): Hon. Senators, that brings us to the end of our business today. The House, therefore, stands adjourned until Tuesday, 29<sup>th</sup> October, 2013 at 2.30 p.m.

The Senate rose at 5.35 p.m.